GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA

STARRED QUESTION NO:382
ANSWERED ON:20.08.2001
FOREIGN DIRECT INVESTMENT IN TELECOM SECTOR
Y.S. VIVEKANANDA REDDY

Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether Foreign Direct Investment (FDI) proposals worth Rs. 45,397 crore have been approved for the telecom sectorduring August, 1991 to October, 2000;

(b) if so, the number of proposals related to domestic private investment approved during the above period;

(c) the extent to which these proposals have been implemented;

(d) the total number of villages covered so far; and

(e) the impact of the FDI proposals on the telecom industry?

Answer

THE MINISTER OF COMMUNICATIONS (SHRI RAM VILAS PASWAN)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT TO BE LAID ON THE TABLE OF THE LOK SABHA IN RESPECT OF PARTS (a) to (e) OF LOK SABHA STARRE QUESTION NO. 382 FOR 20th AUGUST, 2001 REGARDING FOREIGN DIRECT INVESTMENT IN TELECOM SECTOR.

(a) to (e): While Foreign Direct Investment (FDI) proposals worth Rs. 45, 397 crores have been approved for the Telecom Sector during August, 1991 to October, 2000, such proposals relating to domestic private investment in Telecom Sector do not need similar government approval and therefore are not monitored. However, companies desirous of providing telecom services in the country need to obtain telecom service licenses under the Indian Telegraph Act, 1885. During the period August, 1991 to October, 2000, 74 licenses were issued for providing basic and cellular mobile telephone services, of which, 70 are under implementation. FDI proposals have helped in the speedier growth of the Telecom Sector, particularly in Cellular Mobile Telephone Services and telecom manufacturing.

A total number of 4,10,757 villages have been covered with Public Telephones up to 31st July, 2001.